

Coca-Cola Amatil has gained substantial business benefits from the e-commerce solution including a reduction in the manual rework of orders

# Coca-Cola Amatil Decides E-Commerce is the Real Thing

## Corporate Profile

Producing over 1,450 million litres of beverage products a year, Coca-Cola Amatil supplies around 114,000 customers from large supermarket chains to small corner stores. In order to provide a better service to those large customers, Coca-Cola Amatil turned to GXS to implement and manage a fully outsourced e-commerce solution.

## Business Challenge

### To Work More Closely with Major Foodstore Customers

Electronic commerce has fast become a preferred method of doing business for the grocery industry. Major retailers have reaped the rewards of enhanced supply chain efficiency and increased business automation. As a result, more major consumer goods companies are moving to embrace the power of Internet-enabled e-commerce to do business with retailers.

Coca-Cola Amatil General Manager Foodstore, Peter Kelly explains; “The grocery industry as a whole is moving strongly to e-commerce. Our customers are very keen to have as many of their suppliers dealing electronically as possible and we wanted to take a leadership role in the industry.”

Key retail traders such as Coles Myer, Woolworths, Franklins and Davids Holdings increasingly require that suppliers use electronic data exchange (EDI) and other e-commerce technology. For example, many retailers expect that purchase orders be acknowledged within two hours, an almost impossible task without the benefits of EDI.

## The Solution

### A Completely Outsourced Solution Hosted at GXS's EC Centre

After considering a range of in-house and outsourced options, GXS was appointed to own and manage Coca-Cola Amatil's e-commerce program through its Managed Services B2B outsourcing solution. “We assessed whether we should do this internally and what the balance would be between in-house versus outsourced technology,” Kelly said. “The decision was made to outsource our e-commerce solution to GXS.”

Coca-Cola Amatil's customers can send documents and messages in whatever format they require. GXS carries out all the necessary translation. Run on a dedicated HP Class A server, Enterprise System™ handles traditional EDI message management as well as e-mail and cutting edge web services technology. At the other end, Application Integrator™ translates Coca-Cola Amatil's flat message files into the EDI and XML forms used by the trading partners.

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Coca-Cola Amatil is permanently linked to the GXS e-commerce centre by frame relay lines that have dedicated routers on-site that are managed remotely.

## The Results

### Significant Business Benefits and Increased Collaboration

A benefit of Coca-Cola Amatil's decision to outsource its e-commerce is that it can take advantage of GXS's extensive investment in infrastructure and its ability to integrate EDI and other format messages with existing back-office applications. Recent technology changes in the beverage industry have resulted in a proliferation of message formats used by customers. This can lead to a large processing burden for an in-house IT department.

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Ian Lister, national sales manager of GXS agrees, “Outsourcing has many benefits for customers such as Coca-Cola Amatil, including reduced implementation time and a strong financial case. It is also an easy way to have expert e-commerce without being e-commerce experts, as we are responsible for the smooth running of the solution. GXS maintains some of the most advanced e-commerce facilities in the world, offering a full range of Web-enabled, XML and traditional e-commerce solutions.”

Coca-Cola Amatil sees the current solution as being a part of its wider e-commerce objectives that will help it to better meet customer needs. “This is stage two of a six-step program that we began by joining the online industry catalogue EANnet, also managed by GXS,” said Kelly. “In the next stages we are planning collaborative forecasting, advance shipment notices and remittance advices.”

Coca-Cola Amatil has gained substantial business benefits from the e-commerce solution; the manual re-work of orders was considerably reduced and purchase order data is now updated automatically. These improvements provide an extremely efficient trading relationship with customers and reflects Coca-Cola Amatil's commitment to make doing business with it easier and more efficient.

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#### About GXS

GXS is a leading provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration. Organizations worldwide, including 75 percent of the Fortune 500, leverage GXS' GS1 certified global interoperability and supply chain execution solutions. Active in the global standards arena, GXS offers solutions, powered by the Trading Grid™, that enable customers both large and small, to connect with global partners, synchronize product information and optimize the execution of supply chains. Headquartered in Gaithersburg, MD., GXS provides sales and support to businesses and their partners worldwide. For more information about GXS visit [www.gxs.com](http://www.gxs.com).